

would not need the stimulus of a Premier's letter to extend their workers and offer productive employment, and transference schemes would be unnecessary. Labour would transfer itself from wherever it was temporarily redundant to districts thrown open to development. Under the application of Henry George's principles labour would cease to be redundant anywhere. The infinite resources of nature would provide an unrestricted field for the utmost endeavours of men. The taxation and rating of land values, and the corresponding abolition of taxes on trade and industry is the first essential reform that will make other reforms possible. As Henry George stated in *Social Problems* (Chapter XVIII.) :—

I do not say that in the recognition of the equal and unalienable right of each human being to the natural elements from which life must be supported and wants satisfied, lies the solution of all social problems. I fully recognize the fact that even after we do this, much will remain to do. We might recognize the equal right to land, and yet tyranny and spoliation be continued. But whatever else we do, so long as we fail to recognize the equal right to the elements of nature, nothing will avail to remedy that unnatural inequality in the distribution of wealth which is fraught with so much evil and danger. Reform as we may, until we make this fundamental reform our material progress can but tend to differentiate our people into the monstrously rich and the frightfully poor. Whatever be the increase of wealth, the masses will still be ground toward the point of bare subsistence—we must still have our great criminal classes, our paupers and our tramps—men and women driven to degradation and desperation from inability to make an honest living.

Poverty and unemployment will persist until some Government comes to recognize this basic truth. The whole country waits for the statesman with sufficient courage and determination to tackle the monopoly that is responsible for throttling industry in town and country alike.

D. J. J. O.

## MINERS AND UNEMPLOYMENT

Of the many enigmas which confront the student of economic conditions not the least puzzling is that wherever he casts his eyes he sees that producers have difficulty in disposing of their goods. Concurrently, he sees great masses of the people inadequately fed, clothed and housed, though they ask for nothing better than to be able to purchase (that is, produce goods in exchange for) the things others are anxious to sell. This position is altogether unnatural and has many regrettable consequences. One is the generation of a forced and unnatural competition between producers who are selling on a market where supply chronically exceeds demand and the temptation thus offered to use questionable methods to attract buyers—adulteration, corruption, secret commissions, etc. Another is the altogether disproportionate sum spent on mere selling as compared to making; the armies of commercial travellers, the acres of advertisements; the gorgeous

showrooms. All these things add to prices, and therefore limit the number of buyers. It is said that in some lines the cost of mere selling is twice as great as all the costs of production put together. Another effect of this limited home demand is that it leads to fevered attempts to "capture markets" beyond the seas, the pegging out of spheres of influence shut in by protective tariff walls, bad blood between nations, and, finally, even to war.

But the most striking consequence of this failure of demand to meet supply is the army of unemployed. The wages of millions being at subsistence level and no more, their purchases are reduced to the very minimum, and the activities of those who make the goods they need reduced also, which means unemployment. The unemployed man, in his turn, prevents the general wage level from rising, and thus we find ourselves in the vicious circle. Unemployment, as all the world knows, has reached a point which touches the heart of the whole nation and has shaken the complacency of even the most callous.

Urged to "do something," the Government appointed what is named the Industrial Transference Board "for the purpose of facilitating the transfer of workers, and in particular of miners, for whom opportunities of employment in their own district or occupation are no longer available." The Report of the Board (Cmd. 3156) was issued last month. It should be read by all who have the interests of humanity at heart, for it discloses to them the shocking realities as to unemployment in the mining areas.

The Report is concerned to discover what to do with the 200,000 unemployed coal-miners, and decides on the necessity of moving them elsewhere. We are told quite candidly that there exists a definite surplus of labour in the mining areas with no prospect again of regular employment in the industry there. These miners and their families must therefore migrate *en bloc* as quickly as may be from the districts where they have made their homes, and where their services as miners will never be wanted again. With evident misgivings, the Board says this is the only step which is at once sufficiently drastic and sufficiently quick in action to meet the necessities of the case. Yet the Board apparently has in mind other policies it would like to discuss, but it has "felt bound to have regard to the settled financial policy of the country, discussion on which might give rise to prolonged controversy." Whatever the Board may mean by this reflection, the self-imposed limitation of its inquiry effectively sterilizes its report.

The trouble in these cases always is that people refuse to look at fundamentals on the plea that the situation is urgent and that something immediate, even though only palliative, must be done at once. When the palliative has proved its uselessness, they are faced later on with the very same situation in an even more urgent form than before and once again they use the old excuse that there is no time to lose on a long inquiry into fundamentals, so they seek a new palliative, supposed to do something quickly, and again it does nothing at all, either quickly or slowly. The present

is a case in point, though a careful reading of the report would seem to show that the Board does not deceive itself and that it recognizes its proposals for what they really are—mere patchwork in which it itself has little faith.

An attempt to meet the lamentable position in the coal trade by merely moving its victims from one place to another can accomplish nothing. The numbers are too great, and trade in other districts and in the colonies is not sufficiently active to absorb the "surplus" miners. The Board seems to recognize this, and makes frequent appeals to employers to create new openings and to the industrial community in general "to make up its mind to give them (the transferred miners) an opportunity." They call on "employers, work-people, private persons of all descriptions and every agency to foster opportunities for employment, and ease the way of transfer." But how can the appeal have any effect?

It is not the fault of employers that work is hard to get. They are operating under conditions of scarcity dictated by land monopoly which closes opportunities and by our present pernicious system of levying taxation on industry. So long as the land monopoly and penalizing taxes on industry remain, it is beyond the power of employers to widen opportunities for employment. The self-interest of every employer is always urging him to do the largest business he can, which means that he does his best to employ as many men as possible. He needs no "ginger." Employers cannot employ more men than the market for their produce demands, and it is useless to ask them.

The mischief is that any appeal to the employer diverts attention from the real source of trouble—artificially restricted markets due to the action of land monopoly and taxation of industry. We must face the fact that only through increased demand for goods, and in no other way, will new openings for employment be found, and we have to answer the question: Why is the purchasing power of the people so meagre? Taking the miners' plight which has given rise to the present report, does any one deny the existence of great masses of our population which have not the means to buy the coal that is essential to their comfort and health? While there are unemployed miners without shirts, coats and boots, there are also unemployed tailors and boot-makers without coal. By what necromancy are they all kept idle? Why are they not all busy supplying each other with the things that each of them want, the miners buying garments and the makers of garments buying coal? It can only be because some invisible hand has come between them and doomed them all to idleness. The will to produce, the skill, the capital and the raw materials, are all there, but the goods themselves are not forthcoming. From such a situation we shall have to find the way out—or perish. The whole matter reduces itself to the problem of poverty or inability to purchase. So long as the wage level is too low to enable the people to purchase the reasonable necessities of life, demand will fall short of supply and we shall find unemployment in the basic industries. No amount of transference

from one place to another will meet the case for it opens out no new opportunities and adds nothing to men's capacity to buy.

Even in the most complex of industrial societies there is nothing in the nature of things which compels one man "to seek employment" from another, for his own wants provide his own demand for his own labour. The wants, the labour power and the raw materials of the earth are all to hand, and nothing but barriers between men and the earth can reduce people to idleness or cause shortage of demand. It is that which causes the struggle for existence and forces men into the position of mere wage-earners dependent on employers for a living wage. Were barriers between workers and land removed, workers would no longer be under the necessity of finding employers before they can set to work, for endless opportunity would be open to them for self-employment. Enforced idleness would be unthinkable, and no one would accept employment from another unless of his own free choice and not of necessity, as is now the case. We see this at once in the case of a single settler or group of settlers who enjoy freedom of access to land. This is equally true in the industrial society of to-day, though its complications obscure the truth. Destruction of land monopoly, which stands between natural resources and would-be producers, and abolition of taxation on industry would so liberate opportunity for production that the earnings of labour would reach the point where every reasonable want could be satisfied, and shortage of demand in the mining industry be a thing of the past. Miners would no longer be frozen where they stand whenever the coal trade might happen to slacken, for with the new freedom, the thaw would have set in and demand for their services in other directions would open out indefinitely. Freer access to natural resources not only for miners, but for the whole population, is the only cure for the miners' plight.

But the Industrial Transference Board firmly shuts its eyes to all such considerations. It has definitely concluded that all the opportunities in this country are exhausted, and that that is why we have 200,000 "surplus miners" to say nothing of the million more in other industries. This utterly unwarrantable assumption accounts for the Board's despairing recommendation that the "surplus miners" should be treated as if they were cattle or "slave gangs," as Sir Henry Slesser has put it, and shipped wholesale across the ocean. It is because the Board refuses to grasp the nettle and declines to close with the fundamental issue that this report is really a hopeless affair.

W. R. L.

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Published by the Robert Schalkenbach Foundation, New York

80 Pages. Price 2s.

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